IN THE SPECIFICATION:

Please amend the paragraph beginning on page 1, line 5 as follows:

--The present invention relates to a money identifying method and a device for identifying money on the basis of a surface image of the money, and more particularly to a money identifying method and a device which ~~is improved~~ improves its money identification accuracy by determining a binary threshold value based on a density histogram of a predetermined part of the money to optimize binarization of the money.--

Please amend the paragraph beginning on page 1, line 12 as follows:

--Conventional coin identifying devices for identifying coins are comprised of ~~a single or plurality of~~ one or more magnetic sensors disposed on a coin passage through which coins inserted through a coin insertion port are moving, to determine a material, thickness and size of each coin on the basis of detection output from the magnetic sensor(s) and to identify the inserted coins as authentic or counterfeit and denominations according to the determined results.--

2

Please amend the paragraph beginning on page 1, line 18 as follows:

--But, coin identifying devices having the prior art magnetic sensors ~~now~~ have a problem _in_ that identification of a coin as authentic or counterfeit and denomination ~~is~~has become more difficult ~~as~~because the accuracy of making an altered coin, which is a foreign coin similar in material and shape to a domestic authentic coin, ~~is~~has improved.--

Please amend the paragraph beginning on page 1, line 22 as follows:

--In order to detect such altered coins, it becomes necessity to identify coins with higher accuracy. It is proposed to use a surface pattern of each coin as ~~one of~~an identification ~~elements~~element for identifying the coins.--

Please amend the paragraph beginning on page 2, line 10 as follows:

--But, the aforesaid prior technologies disclosed in Japanese Patent Application Laid-Open No. 8-16871 and No. 9-231432 have disadvantages _in_ that, because the binary threshold value for binarizing a two-dimensional image is variable depending on brightness and contrast of the original two-dimensional image, it is necessary to adjust a method of calculating the binary threshold value according to a state of the image, and in order to

3

calculate an effective binary threshold value, it is necessary to calculate variance between classes with respect to the respective binary threshold values by sequentially changing the threshold value within a predetermined range, and it takes ~~much~~ significant time to calculate the binary threshold value. Thus, it was difficult to speed up the coin identification.--

Please amend the paragraph beginning on page 2, line 28 as follows:

--Such problems are not limited to the identification of coins but also ~~applied~~ apply to the identification of money performed by obtaining a surface image of money such as paper money and binarizing the surface image.--

Please amend the paragraph beginning on page 5, line 21 as follows:

--The subject coin C_1 inserted through an unshown coin insertion port, rolls through the coin passage 101 in a direction indicated by an arrow.--

Please amend the paragraph beginning on page 8, line 4 as follows:

--~~And~~Further, two sections divided by the binary threshold value K are determined as ~~S1~~S_1 and ~~S2~~S_2, variance ~~σ12~~σ_{12} between the sections ~~S1~~S_1 and ~~S2~~S_2, where

4

section S̶1̶$\underline{S_1}$=[0, 1, ... K-l] and section S̶2̶$\underline{S_2}$=[K, ... 254, 255]$\underline{,}$ is calculated, and the binary

threshold value K which maximizes the variance σ̶-̶1̶2̶ $\underline{\sigma_{12}}$ is calculated as an optimum binary

threshold value--

Please amend the paragraph beginning on page 9, line 1 as follows:

--It is apparent from Figs. 3(a) and 3(b) that the density histogram of Fig. 3(a)

is quite different from the density histogram of Fig. 3(b) because the periphery and

background pixels of the coin C cover most of the area, and when the optimum binary

threshold value is calculated from the density histogram of Fig. 3(a), a binary image which

clearly shows an image of projections and depressions subject to judgment cannot be

obtained, and the image of projections and depressions subject to judgment c̶a̶n̶ ̶n̶o̶t̶$\underline{cannot}$ be

identified accurately.--

Please amend the paragraph beginning on page 10, line 8 as follows:

--The method of obtaining the image according to the present invention is not

limited to t̶h̶e̶-one using t̶h̶e̶$\underline{an}$ area sensor which is an optical sensor. A magnetic sensor or

the like which can obtain two-dimensional information of a coin while the coin is passing can

also be used.--